

Frequently Asked Questions Regarding the OIG's New Corporate Integrity Agreement (CIA) Claims Review Requirement

Question 1: Will providers currently operating under a CIA be eligible to incorporate the new claims review requirements into their CIA?

Answer: Yes. For providers that are currently operating under a CIA with the OIG, you can expect to be contacted by an OIG representative regarding how the new claims review provision can best be integrated into your CIA. However, the new claims review provisions may not be applicable to all CIAs. Therefore, each CIA will be reviewed on an individual basis.

Question 2: When will providers hear from their OIG representative regarding whether they can adopt into their CIA the new claims review provisions?

Answer: OIG representatives will first contact providers that have annual reports due in January and February of 2002. The OIG will make every attempt to complete this process as quickly as possible. Subsequently, the OIG will contact all other providers, as appropriate, that operate under CIAs with future claims review obligations. Providers should not assume they are entitled to use the new provisions until cleared by an OIG representative.

Question 3: What is the process for incorporating the new claims review provisions into a current CIA?

Answer: All providers that are currently operating under a CIA with claims review requirements will receive a letter from their OIG representative explaining the new provisions and stating whether that provider is eligible for the new provisions. Also included will be a draft of the proposed revision to that provider's CIA claims review section. If the provider chooses to adopt the new claims review provisions, the OIG representative will work with the provider to finalize a CIA addendum.

Question 4: If a provider’s annual report due date is approaching, what should it do?

Answer: To accommodate the demand for adoption of the new claims review provisions, the OIG expects that providers with annual reports due in November or December 2001 will conduct their claims review according to the existing CIA claims review provisions.

Question 5: Will providers be eligible to renegotiate any other aspects of their CIA in light of the claims review amendment?

Answer: No. The new requirements pertain only to the Review Procedures. No other aspects of the CIA will be subject to renegotiation.

Question 6: If a provider’s CIA requires the use of an Independent Review Organization (IRO) to conduct the billing review, will an IRO still be required?

Answer: Yes.

Question 7: I understand the new provisions will allow providers to “net” underpayments from overpayments. What exactly does this mean?

Answer: Under the new CIA claims review provisions, providers will be allowed to subtract from overpayment determinations the amount attributable to underpayments identified in the same sample. A net financial error rate based on the sampled claims in the 50 claim Discovery Sample will then be calculated. If the error rate of the Discovery Sample is less than 5%, no further work is needed. If this error rate identified in the Discovery Sample is 5% or greater, then a full Statistically Valid Random Sample (SVRS) will be required.

Question 8: How will the new “netting” policy affect the reporting and repayment of overpayments?

Providers will still be required under the CIA terms to repay within 30

days any identified overpayments to the appropriate payor and in accordance with payor refund policies. The OIG will require that providers continue to report, in their Billing Engagement Reports, the results of the claims review. However, these reports will now include the gross overpayment amount, the net overpayment amount, and error rate related to the net overpayment. Any other overpayments identified during the normal course of doing business should still be returned in accordance with the appropriate payor's refund policies.

Question 9: How is the error rate calculated in the Discovery Sample?

Answer: The error rate is calculated by dividing the net overpayment identified in the sample by the total dollar amount associated with the items in the sample.

Question 10: How do the new CIA claims review provisions affect the Systems Review requirement?

Answer: Under the new CIA claims review provisions, a systems review will only be required for providers when the error rate identified in the Discovery Sample is 5% or greater. This systems review will focus on each claim in the Discovery Sample and the Full Sample that resulted in an overpayment.

Question 11: If a provider's existing CIA requires a Compliance Engagement, will it still be required under the new claims review provisions to complete the Compliance Engagement?

Answer: If a provider has already completed a Compliance Engagement under the terms of the CIA and the OIG was satisfied with the results, then the remaining Compliance Engagements will be waived under the new claims review provisions. If a provider just entered its CIA and has not completed its first Compliance Engagement, your OIG representative will determine if a Compliance Engagement is still necessary.

Question 12: If a CIA requires multiple claims reviews each year, how will the new CIA claims review requirements apply to that CIA?

Answer: While every CIA will be examined on an individual basis, under the

new CIA claims review provisions, a provider will most likely be required to continue to conduct multiple claims reviews each year. For example, if a provider's CIA requires two annual reviews, one for inpatient services, and one for outpatient services, it would be required to conduct two separate Discovery Samples, and proceed according to the results of those respective reviews. Similarly, national or regional provider chains that are required under their CIAs to conduct claims reviews in multiple facilities each year will still be required to conduct Discovery Samples for each of the selected facilities.